



## *Washington State Farm Service Agency Special Report:*

# FSA Working Across Washington State - FY 2004

The USDA Farm Service Agency delivered more than \$305.9 million in payments and loans to Washington State farmers and ranchers during Fiscal Year 2004. These payments are a continuation of new or enhanced programs created by the 2002 Farm Bill or from programs created by special authority of Congress.

## ***Price Support: \$173.8 million***

*Washington State producers received \$173,867,063 in support during FY2004: \$137,422,535 in direct payments and \$36,444,528 in commodity loans. These programs help improve and promote the economic stability of agricultural communities and ensure equitable delivery of program benefits and services.*

**\$76,186,074 - Direct And Counter Cyclical Program (DCP)** replaced production flexibility contract (PFC) payments with direct payments, and added new counter-cyclical payments for the 2002-2007 crops. Counter-cyclical payments are made when the effective price for eligible commodities is less than the target price.

**\$8,186,552 - Loan Deficiency Payments (LDPs)** were made to producers who agreed to forgo a commodity loan in return for a payment on the eligible commodity. LDP provisions allow compensation when market prices are low, as long as the producer maintains beneficial interest in the commodity.

**\$36,444,528 - Commodity Loans** are made available to eligible producers who use stored crops as collateral. The Commodity Credit Corporation (CCC) makes loans for eligible commodities and are issued as "non-recourse" or "recourse" depending on the quality and/or moisture content of the commodity.

**\$478,919 - Hard White Winter Wheat Program** made available \$20 million for incentive payments based on production and certified seed planting for the 2003-2005 crops. The hard white wheat must be grade #2 or higher and be sold for domestic food use or export.

**\$1,163,739 - The Trade Adjustment Assistance Program for Pacific Salmon** provides cash payments, technical assistance, job training, and educational benefits to eligible producers when an increase in imports contributes to a decline in price, resulting in a drop in net farm or fishing income.

**\$51,313,210 - Milk Income Loss Contract Payments (MILC)** financially compensate dairy producers when domestic milk prices fall below a specified level.

**\$94,041 - all other price support programs**, including Apple Market Loss and Lamb Meat Assistance.

## ***Conservation \$ 79.9 million***

*FSA has invested \$79,974,051 in Washington State's conservation programs. By assisting owners and operators in conserving and improving soil, water, and wildlife resources we all help protect our most fragile farmland. The Conservation Reserve Program is the USDA's single largest environmental improvements program as well as one of the most effective. Our conservation partnerships include:*

**\$758,933 - The Wetlands Reserve Program** is a voluntary program that provides financial incentives to enhance wetlands in exchange for retiring marginal agricultural land.

**\$5,843,809 - The Environmental Quality Incentives Program (EQIP)** is a voluntary, locally-led conservation program that provides technical and financial assistance. Producers sign 1-10 year contracts to implement conservation plans.

**\$73,315,917 - The Conservation Reserve Program** is a voluntary program providing financial incentives to producers who convert highly erodible cropland or environmentally sensitive acreage to long-term vegetative cover.

**\$55,392 - All other conservation programs.**

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***Disaster Assistance: \$23.6 million***

*Producers received \$23,679,642 in disaster assistance programs during FY2004. From drought to flood, freeze to tornadoes, natural disasters can severely hurt even the best run agricultural operation.*

**\$97,905 - Livestock Compensation Program I** was implemented to provide direct payments to livestock producers experiencing 2001 and 2002 crop year feed and pasture losses because of drought. Payments were based on the number of head of livestock owned.

**\$21,642,368 - Crop Disaster Assistance** programs help compensate producers who suffered crop losses due to adverse weather and other natural disasters in FY2001 and FY 2002 .

**\$1,233,010 - Livestock Assistance Program (LAP) and Livestock Compensation Program II.** LAP provided assistance for grazing losses in counties suffering from 2001 or 2002 drought conditions. LCP-II provided direct payments to livestock producers experiencing any 2001 and 2002 disaster loss, not just from drought. Eligibility was directed at those who had not already received payments under LCP-I.

**\$706,359 - Non-Insured Crop Disaster Assistance Program.** This program covers crops for which crop insurance is unavailable.

***Farm Loans: \$74.6 million***

*FSA made \$74,642,483 in direct and guaranteed operating loans, farm ownership loans, emergency loans and youth loans to Washington State eligible farmers and ranchers who operate family-sized farms and who were temporarily unable to obtain private or commercial credit.*

**\$56,302,053 - Guaranteed Loan Program.** FSA guarantees loans made by conventional agricultural lenders for up to 95% of any loss. In FY 2004 FSA made 48 farm ownership loans and 227 operating loans.

**\$18,340,430 - Direct Loan Program.** FSA provides assistance to those unable to obtain guaranteed loans. In FY2004 FSA made 17 farm ownership loans and 219 operating loans, that included 34 youth loans, 82 loans to beginning farmers and 9 emergency loans.

***Program Payments By County\* - \$ 194,848,782***

Adams	\$ 20,031,035	Grays Harbor	\$ 259,555	Pierce	\$ 307,289
Asotin	\$ 2,908,943	Island	\$ 108,069	San Juan	\$ 49,503
Benton	\$ 6,865,303	Jefferson	\$ 73,038	Skagit	\$ 1,673,766
Chelan	\$ 743,150	King	\$ 336,377	Snohomish	\$ 1,064,262
Clallam	\$ 107,219	Kitsap	\$ 16,383	Spokane	\$ 7,485,406
Clark	\$ 248,396	Kittitas	\$ 1,389,368	Stevens	\$ 1,470,757
Columbia	\$ 7,008,679	Klickitat	\$ 5,404,353	Thurston	\$ 198,777
Cowlitz	\$ 172,614	Lewis	\$ 678,725	Wahkiakum	\$ 114,019
Douglas	\$ 13,265,110	Lincoln	\$ 18,973,364	Walla Walla	\$ 18,688,576
Ferry	\$ 185,377	Mason	\$ 12,118	Whatcom	\$ 3,947,713
Franklin	\$ 13,609,725	Okanogan	\$ 3,138,658	Whitman	\$ 31,097,963
Garfield	\$ 7,034,780	Pacific	\$ 179,981	Yakima	\$ 11,389,923
Grant	\$ 14,599,133	Pend Oreille	\$ 11,377		

**\* Does not include farm loans, commodity loans, or adjustments from previous programs.**

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